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C O N F I D E N T I A L SECTION 01 OF 02 MOSCOW 002065

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E.O. 12958: DECL: 05/04/2017

TAGS: PREL ETRD ENRG EN RS

SUBJECT: ESTONIA: DEMONSTRATORS QUIT ESTONIAN EMBASSY AS
AMBASSADOR RETURNS TO TALLINN

REF: A. MOSCOW 01998

1B. MOSCOW 02017

1C. TALLINN 00297

Classified By: Ambassador William J. Burns. Reasons: 1.4 (b/d).

11. (C) Summary: Pro-Kremlin youth groups gave up their disruptive protest outside the Estonian Embassy early May 4 as the Estonian Ambassador to Russia returned to Tallinn. However, pro-Kremlin youth group Nashi (Ours) began a new demonstration against the European Commission on the afternoon of May 4. Additionally, about 20 WWII veterans held a quiet, 30-minute demonstration May 4 outside the Estonian Embassy. Embassy personnel were preparing to return to normal work. Oil products shipments continue to flow to Estonia, despite a Russian Railways (RZD) statement May 2 that railroad repairs would stop shipments. On the evening of May 3, the Ambassador stressed to First DFM Denisov the importance of winding down this episode. He also stressed to Denisov that any politically-motivated disruption of energy supplies to Estonia would be extremely counter-productive and that Russia should not be surprised by what would certainly be a sharp, public U.S. -- and European -- reaction. Ambassador repeated these points to DFM Kislyak on the afternoon of May 4. We are urging our EU colleagues to stress the same message to the Russians with the Russian-EU Summit in Samara looming ahead on May 17-18. End Summary.

All Quiet at the Embassy's Front

12. (C) Demonstrators gave up their noisy vigil outside the Estonian Embassy early May 4 after declaring "victory" with the departure of Estonian Ambassador Kaljurand for a brief "vacation" in Tallinn. Kaljurand departed Moscow on the evening of May 3, with a dozen or so demonstrators and the leader of the pro-Kremlin youth group Nashi, Vasily Yakemenko, trailing her to Sheremetyevo airport. At the airport, Yakemenko declared, "It is a victory for Nashi. We will lift the blockade as the (Embassy) is now just an ordinary empty building in Moscow," according to press reports. The demonstrators' departure was part of a quiet face-saving deal worked out between the Estonians and the EU Presidency -- Germany -- and the GOR. As part of the deal, Kaljurand agreed to leave Moscow for at least a few days and the GOR promised to end the protest (ref B).

13. (C) PolOff visited the Estonian Embassy on the morning of May 4. All demonstrators had cleared out, taking their tents and portable toilets with them. Posters and leaflets denouncing "Fascist Estonia" littered the ground. Some militia were disassembling metal barriers they had erected earlier. A new Estonian flag had replaced the one torn down. The new flag was reinforced at the top of the flag pole with duct tape.

14. (C) Inside the Embassy, employees were beaming. "There

has been a siege atmosphere in here for a week," said Press Attaché Franek Persidski. He added that protesters had thrown rocks at the Embassy overnight, breaking several windows. "We all hope things will get back to normal soon." Persidski said the Embassy's consular section would probably reopen on Monday, May 7. Despite the end of the youth group demonstrations, about 20 WWII veterans held a quiet, 30-minute demonstration May 4 outside the Estonian Embassy. Also on May 4, Nashi began a new demonstration against the European Commission. By 4 p.m., EC Press Spokesperson Aleksandra Nabokina said dozens of Nashi demonstrators had set up a stage and loudspeakers next to the EC office, and a large group of Nashi members and high-schoolers had departed Red Square to march to the EC office, apparently in protest at the EU's intervention in the dispute, Nabokina said.

Oil Products Still Flowing for Now

¶ 15. (C) On the evening of May 3, the Ambassador stressed to First DFM Denisov the importance of winding down this episode. He also stressed to Denisov that any politically-motivated disruption of energy supplies to Estonia would be extremely counter-productive and that Russia should not be surprised by what would certainly be a sharp, public U.S. -- and European -- reaction. Ambassador repeated these points to DFM Kislyak on the afternoon of May 4. We are urging our EU colleagues to stress the same message to the Russians with the Russian-EU Summit in Samara looming ahead on May 17-18. Ambassador repeated these points to DFM Kislyak on the afternoon of May 4.

¶ 16. (C) On May 2, Russian Railways announced that railroad repairs would stop oil product shipments to Estonia. As of

MOSCOW 00002065 002 OF 002

May 4, oil product shipments and coal from Russia to Estonia for both re-export and domestic consumption are still being delivered. As well, Russian natural gas and crude oil flows are unaffected. The vast majority of the oil product exports from Russia are re-exported to Western European markets. Estonia is largely dependent on Russia for its domestic natural gas, coal, and oil needs. However, these energy sources make up less than 50 percent of Estonia's energy mix -- relatively low by EU standards.

¶ 17. (C) Most big shippers have been able to re-route oil products originally destined for re-export through Estonia to other ports. These companies (GazpromNeft and TNK-BP, principally) are fulfilling their contractual obligations to customers in Europe by managing to find another way to get their product out of Russia. A contact at TNK-BP confirms that RZD has capped its oil product shipments through Estonia and that other companies are experiencing the same difficulties. He said the only company to avoid this restriction was Surgutneftegaz which exports products from its Kirishi refinery. In a conflicting report, a trader with Shell told us that they have been able to get their oil product shipments on the May schedule.

¶ 18. (C) While oil products are still flowing, it is uncertain whether RZD has scheduled full shipments for May. According to one reliable contact, RZD has not put together the May schedule. Because shipments from refinery to port can take up to 20 days, he speculated that the product that is moving from Russia to Estonia now may be deliveries left over from April's approved shipments.

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